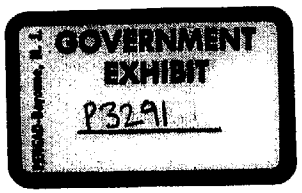
Year-to-Year Comparisons
Lawson Software Operating Results - GAAP and Non-GAAP Views

	Fourth Fiscal Quarter						Full Fiscal Year					
	Q4 '04 GAAP	Q4 '03 GAAP	% YTY change	Q4 '04 Non-GAAP	Q4 '03 Non-GAAP	% YTY change	FY '04 GAAP	FY '03 GAAP	% YTY change	FY '04 Non-GAAP	FY '03 Non-GAAP	% YTY change
License Fees	$ 27,169	$ 26,271	3%	$ 27,169	$ 26,271	3%	$ 92,338	$ 77,614	19%	$ 92,338	$ 77,614	19%
Services	72,541	64,388	13%	72,541	64,388	13%	271,245	266,704	2%	271,245	266,704	2%
Total Revenues	99,710	90,659	10%	99,710	90,659	10%	363,583	344,318	6%	363,583	344,318	6%
Cost of License Fees	3,958	4,479	-12%	3,144	4,098	-23%	15,948	14,367	11%	13,234	12,872	3%
Cost of Services	36,209	34,021	6%	35,866	33,973	6%	136,299	141,717	-4%	135,896	141,518	-4%
Gross Profit	59,543	52,159	14%	60,700	52,588	15%	211,336	188,234	12%	214,453	189,928	13%
% Margin	*60%*	*58%*	*+2 pts*	*61%*	*58%*	*+3 pts*	*58%*	*55%*	*+3 pts*	*59%*	*55%*	*+4 pts*
Research and Development	17,756	15,227	17%	17,696	15,076	17%	64,888	59,115	10%	64,638	58,450	11%
EIR %	*18%*	*17%*	*+1 pts*	*18%*	*17%*	*+1 pts*	*18%*	*17%*	*+1 pts*	*18%*	*17%*	*+1 pts*
Sales and Marketing	25,027	25,697	-3%	24,917	25,421	-2%	93,138	102,963	-10%	92,681	102,147	-9%
EIR %	*25%*	*28%*	*-3 pts*	*25%*	*28%*	*-3 pts*	*26%*	*30%*	*-4 pts*	*26%*	*30%*	*-4 pts*
General and Administrative	9,321	8,778	6%	9,179	8,546	7%	37,721	29,972	26%	37,130	27,539	35%
EIR %	*9%*	*10%*	*-1 pts*	*9%*	*9%*	*0 pts*	*10%*	*9%*	*+1 pts*	*10%*	*8%*	*+2 pts*
Restructuring Charges (Adjustments)	-	(258)	N/M	-	-	-	2,210	6,035	-63%	-	-	-
Amortization of Acquired Intangibles	362	223	62%	-	-	-	1,274	877	45%	-	-	-
Total Operating Expenses	52,466	49,667	6%	51,792	49,043	6%	199,231	198,962	0%	194,449	188,136	3%
Operating Income (Loss)	7,077	2,492	184%	8,908	3,545	151%	12,105	(10,728)	213%	20,004	1,792	1016%
Operating Margin	*7%*	*3%*	*+4 pts*	*9%*	*4%*	*+5 pts*	*3%*	*-3%*	*+6 pts*	*6%*	*1%*	*+5 pts*
Other Income (Expense), Net	806	1,171	-31%	806	1,171	-31%	3,209	4,457	-28%	3,209	4,457	-28%
Income (Loss) Before Taxes	7,883	3,663	115%	9,714	4,716	106%	15,314	(6,271)	344%	23,213	6,249	271%
Provision (Benefit) for Taxes (1)	4,425	1,428	210%	3,789	1,839	106%	7,323	(2,446)	399%	9,053	2,437	271%
Net Income (Loss)	3,458	2,235	55%	5,925	2,877	106%	7,991	(3,825)	309%	14,160	3,812	271%
EPS:												
Basic	$ 0.04	$ 0.02	54%	$ 0.06	$ 0.03	105%	$ 0.08	$ (0.04)	308%	$ 0.14	$ 0.04	270%
Diluted	$ 0.03	$ 0.02	51%	$ 0.06	$ 0.03	101%	$ 0.07	$ (0.04)	292%	$ 0.13	$ 0.04	260%
Shares:												
Basic	98,433	97,949	0%	98,433	97,949	0%	98,462	98,165	0%	98,462	98,165	0%
Diluted	105,984	103,341	3%	105,984	103,341	3%	107,000	98,165	9%	107,000	103,713	3%

Notes:

(1) For the three and twelve months ended May 31, 2004, the non-GAAP provision for income taxes is calculated at a rate of 39%, which excludes two items included in the GAAP provision - a deferred tax valuation allowance of $1,195 and a deferred tax adjustment of $156 related to a past acquisition